

HOUSE BILL NO. 299

INTRODUCED BY WELLS

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE CREATION OF STATE DEBT THROUGH THE ISSUANCE OF GENERAL OBLIGATION BONDS; APPROPRIATING THE PROCEEDS OF THE BONDS FOR DEPARTMENT OF TRANSPORTATION EQUIPMENT STORAGE BUILDINGS; PROVIDING FOR OTHER MATTERS RELATING TO THE APPROPRIATION; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Definitions. For the purposes of [sections 1 through 7], unless otherwise stated, the following definitions apply:

(1) "Capital project" means the acquisition of land or improvements or the planning, capital construction, renovation, or furnishing for the projects authorized in [section 2].

(2) "Other funding sources" means money, including special revenue fund money, that accrues to an agency under the provisions of law.

NEW SECTION. Section 2. Appropriation of bond proceeds and other funds. The amount of \$5,100,000 is appropriated from other funding sources to the department of administration for capital projects, described as statewide equipment storage buildings for the department of transportation, contingent upon the respective authorization of general obligation long-range building program bonds by the 59th legislature and the sale of bonds by the board of examiners.

NEW SECTION. Section 3. Authorization of bonds. The board of examiners is authorized to issue and sell general obligation long-range building program bonds in an amount not exceeding \$5,100,000 for the capital projects described in [section 2] over and above the amount of general obligation long-range building program bonds outstanding on January 1, 2005. The bonds must be issued in accordance with the terms and in the manner required by Title 17, chapter 5, part 8. The authority granted to the board by this section is in addition to any other authorization to the board to issue and sell general obligation long-range building program bonds.

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2 **NEW SECTION.** **Section 4. Agreement with department of transportation.** The board of examiners
3 and the department of transportation may enter into an agreement for the construction of equipment storage
4 buildings, under which the department shall pay the state treasurer, for deposit in accordance with 17-2-101
5 through 17-2-107, an amount, as determined by the state treasurer, that is sufficient to pay the principal and
6 interest due on the bonds and notes from which the appropriation was made. The agreement must further
7 provide that income from the investment of bond proceeds, unused principal, and the reserves not required for
8 construction costs may be credited against the department's payment obligation. Payment by the department
9 must be made from available funds.

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11 **NEW SECTION.** **Section 5. Planning and design.** The department of administration may proceed with
12 the planning and design of capital projects prior to the receipt of other funding sources. The department may
13 use interaccount loans in accordance with 17-2-107 to pay planning and design costs incurred before the receipt
14 of other funding sources.

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16 **NEW SECTION.** **Section 6. Capital projects -- contingent funds.** If the capital projects authorized
17 in [section 2] are financed, in whole or in part, with appropriations contingent upon the receipt of other funding
18 sources, the department of administration may not let the projects for bid until the department of transportation
19 has submitted a financial plan for approval by the director of the department of administration. A financial plan
20 may not be approved by the director if:

21 (1) the level of funding provided under the financial plan deviates substantially from the funding level
22 provided in [section 2] for that project; or

23 (2) the scope of the project is substantially altered or revised from the preliminary plans presented for
24 that project in the 2007 biennium long-range building program presented to the 59th legislature.

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26 **NEW SECTION.** **Section 7. Legislative consent.** The appropriation authorized in [section 2]
27 constitutes legislative consent for the capital projects contained in [section 2] within the meaning of 18-2-102.

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29 **NEW SECTION.** **Section 8. Requirement for approval of state debt.** Because [section 3] authorizes
30 the creation of state debt, a vote of two-thirds of the members of each house of the legislature is required for

1 enactment of [section 3]. If [section 3] is not approved by the required vote, [this act] is void.

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3 NEW SECTION. **Section 9. Severability.** If a part of [this act] is invalid, all valid parts that are
4 severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications,
5 the part remains in effect in all valid applications that are severable from the invalid applications.

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7 NEW SECTION. **Section 10. Effective date.** [This act] is effective on passage and approval.

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